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Arizona Corporation Commission  
**DOCKETED**  
**BEFORE THE ARIZONA CORPORATION COMMISSION**  
 NOV 02 2000

CARL J. KUNASEK  
 CHAIRMAN  
 JIM IRVIN  
 COMMISSIONER  
 WILLIAM A. MUNDELL  
 COMMISSIONER

DOCKETED BY

JN

NOV 02 2000

DOCKET DELIVERED  
 TO COURT CLERK

IN THE MATTER OF THE APPLICATION OF  
 CITIZENS UTILITIES COMPANY FOR  
 APPROVAL OF ITS PLAN FOR STRANDED  
 COST RECOVERY

DOCKET NO. E-01032C-98-0474

IN THE MATTER OF THE FILING BY CITIZENS  
 UTILITIES COMPANY OF UNBUNDLED AND  
 STANDARD OFFER SERVICE TARIFFS  
 PURSUANT TO A.A.C. R14-2-1606.

DOCKET NO. E-01032C-97-0774

IN THE MATTER OF COMPETITION IN THE  
 PROVISION OF ELECTRIC SERVICES  
 THROUGHOUT THE STATE OF ARIZONA.

DOCKET NO. RE-0000C-94-0165

**PROCEDURAL ORDER****BY THE COMMISSION:**

On October 16, 2000, Citizens Communications Company ("Citizens") filed a Motion to Reopen Record regarding the Settlement Agreement by and among Citizens, the Residential Utility Consumer Office ("RUCO") and the Arizona Corporation Commission ("Commission") Utilities Division Staff ("Staff") that was filed in these dockets. At the same time Citizens filed a Request for Waiver of Certain Competition Rules, specifically R14-2-1604(A)(4), R14-2-1604(D), R14-2-1606(B), R14-2-1606(C)(6), R14-2-1615(A) and R14-2-1615(B).

On June 26, 2000, Citizens filed with the Commission a Settlement Agreement between Citizens, Staff and RUCO, which resolved all issues related to the introduction of competition in Citizen's Arizona service areas. On July 5, 2000, a hearing on the Settlement Agreement was held. Subsequent to the hearing, Citizens began receiving bills from its power supplier that were roughly 150 percent greater than the power costs reflected in its current rates and Citizens began accumulating an extraordinarily high balance of uncollected power costs in its PP&FAC bank. The extraordinary rise in rates rendered parts of the Settlement Agreement unworkable, and Citizens and the other parties to the Settlement Agreement requested that the Administrative Law Judge not issue a

recommended order and opinion on the Settlement Agreement. On September 28, 2000 Citizens filed an application in Docket No. E-01032C-00-0751 proposing to change several aspects of its PPFAC procedures. Citizens requests that the Commission reopen the record to allow the parties to consider recent events with the goal of modifying the Settlement Agreement.

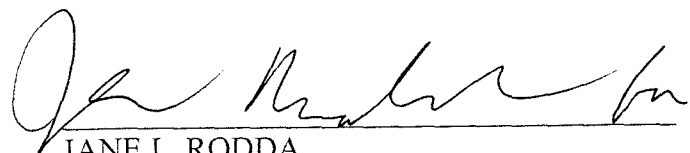
The Settlement Agreement contemplated a Commission Order by September 30, 2000, to allow competition to commence in Citizens' service territory by December 31, 2000. Because the parties have determined the Settlement Agreement is unworkable in light of recent developments and requested that the Commission not act on the Settlement Agreement, Citizens has requested a Commission waiver from the provisions of the Electric Competition Rules that concern the commencement of competition. Citizens requests that competition commence in its service area no later than four months after a final Commission Order in the above-captioned dockets.

IT IS THEREFORE ORDERED that a Procedural Conference to address Citizens' Motion to Reopen the Record and Request for Waiver shall commence on November 20, 2000 at 10 a.m. at the Commission's offices at 400 West Congress, Tucson, Arizona.

IT IS FURTHER ORDERED that the parties may participate in the Procedural Conference telephonically.

IT IS FURTHER ORDERED that Staff, RUCO and other interested parties shall file responses to Citizens' Motion to Reopen the Record and Request for Waiver no later than November 15, 2000.

DATED this 2nd of November, 2000.

  
JANE L. RODDA  
ADMINISTRATIVE LAW JUDGE

1 Copies of the foregoing delivered/mailed  
this 2nd day of November, 2000 to:

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By:

  
Debbi Person  
Secretary to Jane Rodda